

# Black & Decker Meets European Competition Within Common Market

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Acquisition of two well known European tool firms has placed Black & Decker Manufacturing Co. of Towson, Md., in a strong competitive position within the European common market, reported W. G. Morrell, executive vice president, here today.

Addressing the Washington Society of Investment Analysts at the Occidental Restaurant, The Maryland company also Mr. Morrell pointed out that has two other manufacturing plants within the British Commonwealth, one of which is at years. Foreign operations Droydon, Australia, about 20 provided 33 per cent of its sales east of Melbourne. The volume and 35 per cent of net sales. A modern plant has been earnings in the latest fiscal operation since 1957. The year, he said, other plant is in Canada and is

The company purchased con-located at Brockville, Ontario, a small French firm. The European common market early in 1961 and established a new set of market distribution system in that country quickly under the name of Black & Decker (France). It makes a line of Micox portable electric tools together with some Black & Decker items.

## Italian Firm Acquired

Little more than a year ago, the company also acquired one of the leading electric tool manufacturers of Italy, the Star Utensili Elettrici s.p.a. Milan through an exchange of stock. This firm makes a high-quality line of double-insulated electric tools of advanced design.

"The acquisition of Star is very important to the company as it provides a special type of tool that is rapidly coming to the forefront in some of the best overseas markets," said Mr. Morrell.

The Italian firm's large plant has been in the Black & Decker picture for nearly 15 months and has turned in earnings at a rate above the average per share of the rest of the company, he said. "In other words, this acquisition has strengthened earnings rather than diluted them."

More than 30 years ago Black & Decker started manufacturing in England and has a plant at Harmondsworth near London which is producing annually around \$12 million worth of portable electric tools.

"This plant is in the sterling area and gives us an outstanding competitive advantage in foreign markets through being able to trade with equal vigor in both the dollar and the sterling areas of the world," he declared.

Decker has moved promptly to meet them, the speaker said.

Black & Decker became the first company to introduce cordless electric power tools 8 months ago and is making great progress in this direction, Mr. Morrell said. However, until costs of the power packs are reduced, cordless tools will not become a significant factor in the industry, he declared.

The company is expanding its college recruitment and training programs, including establishment of semiannual personnel reviews attended by top officers, he reported.

## Sales Up 2 1/2 Times

Reviewing company growth of the last decade Mr. Morrell said sales have increased from \$31,325,000 to \$75,816,000, or about two and a half times.

Net earnings have risen from \$2,291,000 to \$6,532,000, or nearly tripled. Working capital has increased from \$1,511,000 to \$30,797,000, or two and a quarter times. Net worth has risen from \$16,021,000 to \$49,716,000, or more than three times 10 years ago.

For the 1963 fiscal year the company has budgeted a sales increase of around 7 per cent and an increase of 15 per cent in net income. If goals are attained, per share earnings should be around \$3 a share, he said.

## Macke Vending Gains More Than Expected

Sales and earnings of Macke Vending Co. will exceed predictions of \$33 million and \$800,000, respectively, in the fiscal year ended September 30, he said today.

Directors have declared the usual quarterly dividend of 11 1/4 cents a share on Class A common stock, payable December 27 to holders of record December 15.

## Glen Echo Operator Gets National Post

Abram Baker, president of Keban, Inc., operator of Glen Echo Amusement Park, was elected to a two-year term as a director of the National Association of Amusement Parks, Pools and Beaches at the annual convention in Chicago yesterday.

Long active in the association, Mr. Baker has been president of Keban, Inc., for eight years.

## Mergenthaler Votes Quarterly Dividend

Directors of Mergenthaler Linotype Co. have declared the usual quarterly dividend of 25 cents a share.

It will be paid December 22 to stockholders of record at the close on December 12.

## Hechinger Co. Honors Veteran Employees

Miss Janette Rosenberg, who has completed 40 years of service with the Hechinger Co., headed the list of employees honored at the company's dinner for members of its Five-to-Fifty Club at the Willard Hotel Sunday.

Sylvia Hechinger, widow of Sidney Hechinger, founder of the company, presented a pearl and diamond brooch to Miss Rosenberg, who is in charge of the payroll department.

Special awards also were presented to Ernest Harris for 38 years of service and Claude Simmon for 36 years of service. Among the 36 others to receive service pins, fifteen had 15 or more years of service.

## Printing Executives To Receive Awards

The Education Council of the Graphic Arts Industry has selected two Washington printing executives to receive awards for outstanding service. The presentation is planned at a St. Paul banquet on January 18.

Albert Matern, representative of Litho Chemical & Supply Co., will receive an award for initiating a graduate school fellowship program for the industry.

Robert W. Pearson, chief of the printing services division of the Central Intelligence Agency, will be honored for significant contributions in research and development programs affecting the printing industry.

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